

**4 July 2008**

## **Jupiter begins national and international road show to complete funding for North West Zhetybai acquisition**

The Board of Jupiter Energy Limited (ASX: **JPR**) advises that JPR has now commenced a national and international road show and attached is a copy of the presentation being delivered to brokers and fund managers in Australia and overseas.

The intention is to secure the \$A40m funding required to complete the acquisition of a 50% stake in the North West Zhetybai oil field, as announced to the ASX on 30 June 2008.


It is expected that funding will be made up of a combination of debt and equity and at this stage it is anticipated that the mixture of debt and equity will be on a 50/50 basis although this will be subject to review as the road show progresses.

JPR, working with its advisor Indian Ocean Capital Pty Ltd, will complete the road show on 18 July 2008 and will finalise the funding package soon after.

Subject to due diligence being completed as planned, it is anticipated that a Notice of Meeting will be prepared and mailed to shareholders by the end of July with a General Meeting to be held at the end of August, at which shareholders will be asked to approve the acquisition of the 50% stake.

Any questions relating to this announcement should be directed to JPR Chairman, Geoff Gander, on 0417 914 137.

**ENDS**

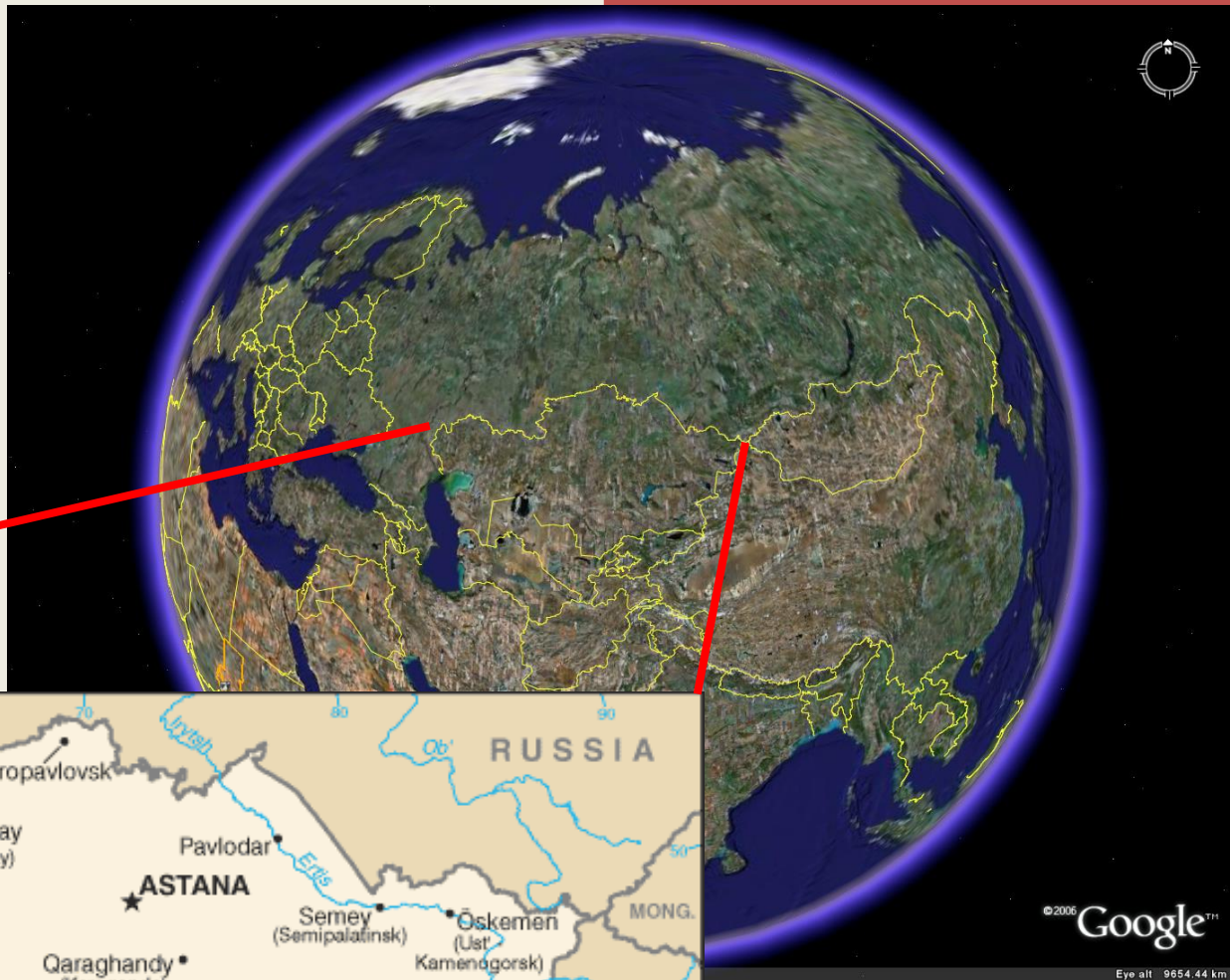


# Jupiter Energy Limited

(ASX: JPR)

July 2008

North West Zhetybai Road Show



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# Brief Oil History on Kazakhstan

- After Russia, the 2<sup>nd</sup> largest oil producing Union at the time of the collapse of the USSR
- Proven reserves today of 30 b barrels
- Estimated reserves of 60-100 b barrels
- Expected to produce 2-3% of the world's oil demand over the next decade
- All the majors operate there including Chevron-Texaco, Exxon Mobil, Shell, Total, Agip, ConocoPhillips etc..
- Production reached 1.4m bbl/d in 2006 and is projected to reach 2 m bbl/d by 2010 and 3m bbl/d by 2015
- Kazakhstan currently has 4 X Australia's production

# Why Kazakhstan for JPR?

- Kazakhstan contains multi billion barrel oil fields
- Even though some basins have been producing oil for 100 years, most areas are lightly explored with predominantly 1980's technology. Areas of interest are extremely prospective and not available in most countries.
- Kazakhstan has in the past 5 years opened its doors to foreign investment and it is now possible for overseas companies to get access to some excellent oil producing and oil exploration assets
- Pricing on assets has traditionally been high but due to the recent credit squeeze some oil fields are now becoming available at realistic prices
- Investments are available for small cap companies with good local partners/knowledge
- The Kazakh government has good relations with its neighbours Russia, China and Iran. 20% of Chinas oil demand being supplied by Kazakhstan

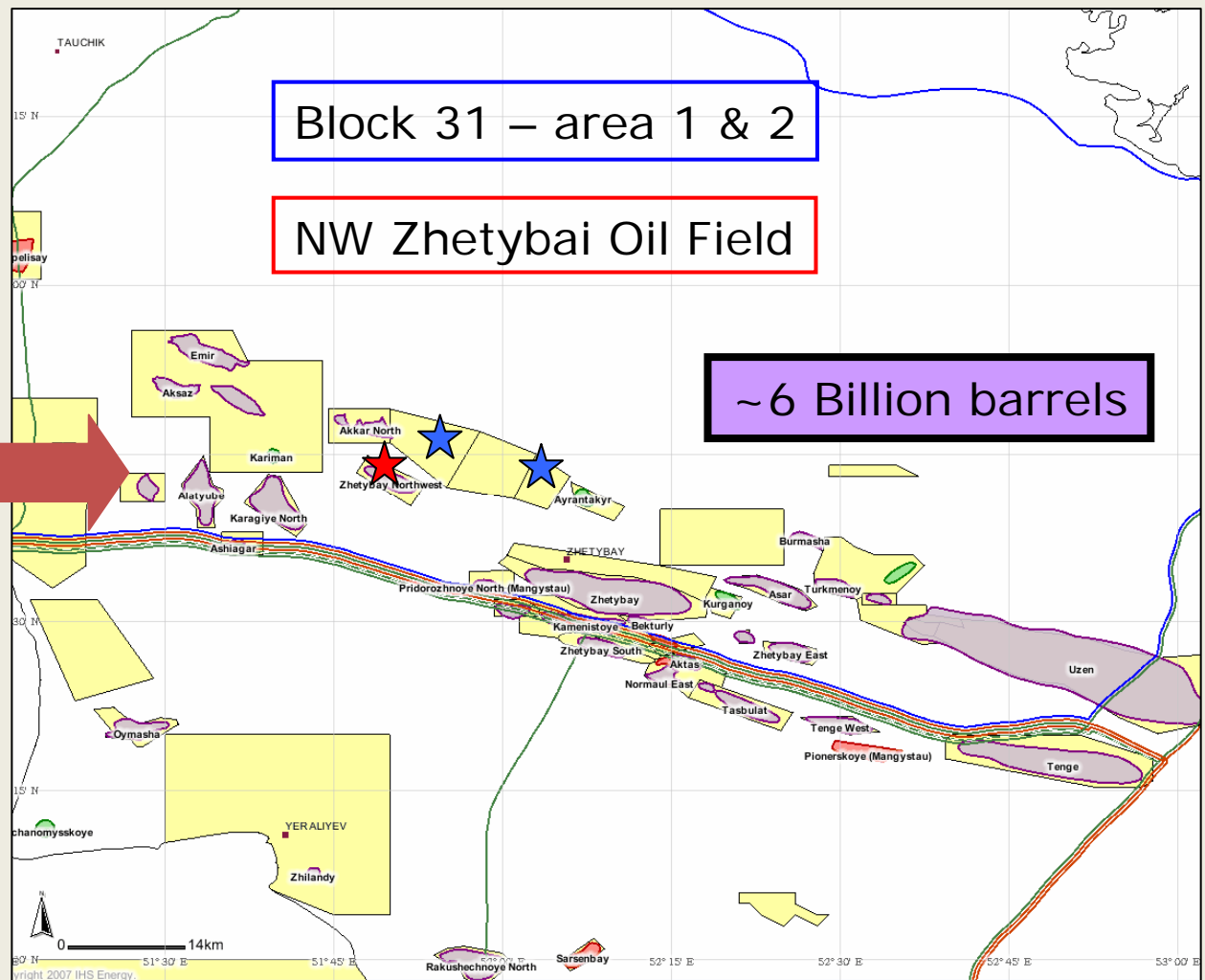
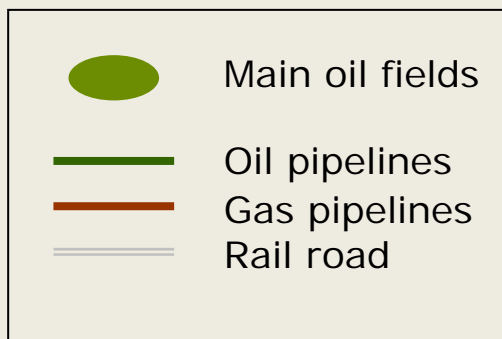
# JPR Board

- Geoff Gander
  - Executive Chairman
- Andrew Childs
  - Non Executive Director
- Erkin Svanbayev
  - Executive Director (based in Almaty, Kazakhstan)

# Jupiter's Key Personnel

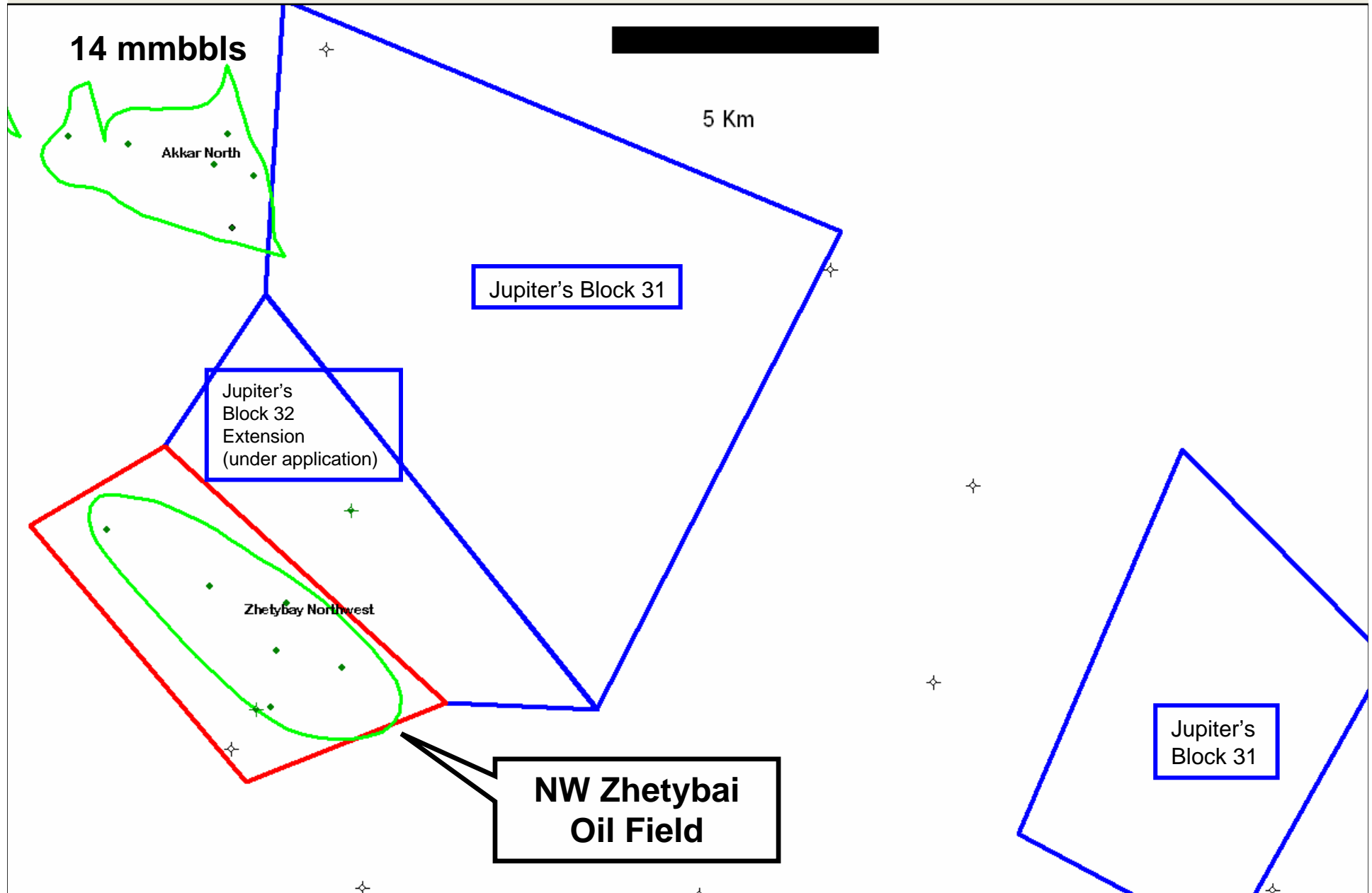
- **Erkin Svanbayev**: Experienced oil trader, currently exporting over 1m barrels of oil out of Kazakhstan each month . JPR Director.
- **Ole Udsen**: Country Manager. Has proven experience in identifying and closing oil procurement opportunities in Kazakhstan with excellent understanding of the legal and political requirements required to secure such assets . Has already set up and run experienced oil operations team in Kazakhstan.
- **Keith Martens**: 30 years experience in evaluating oil fields around the globe.
- Key areas of influence for JPR:
  - Strong, established government connections
  - Experienced industry associations
  - Proven ability in the identification of excellent assets
  - Capacity to move oil into the export markets

# MANGISTAU BASIN IN SW KAZAKHSTAN





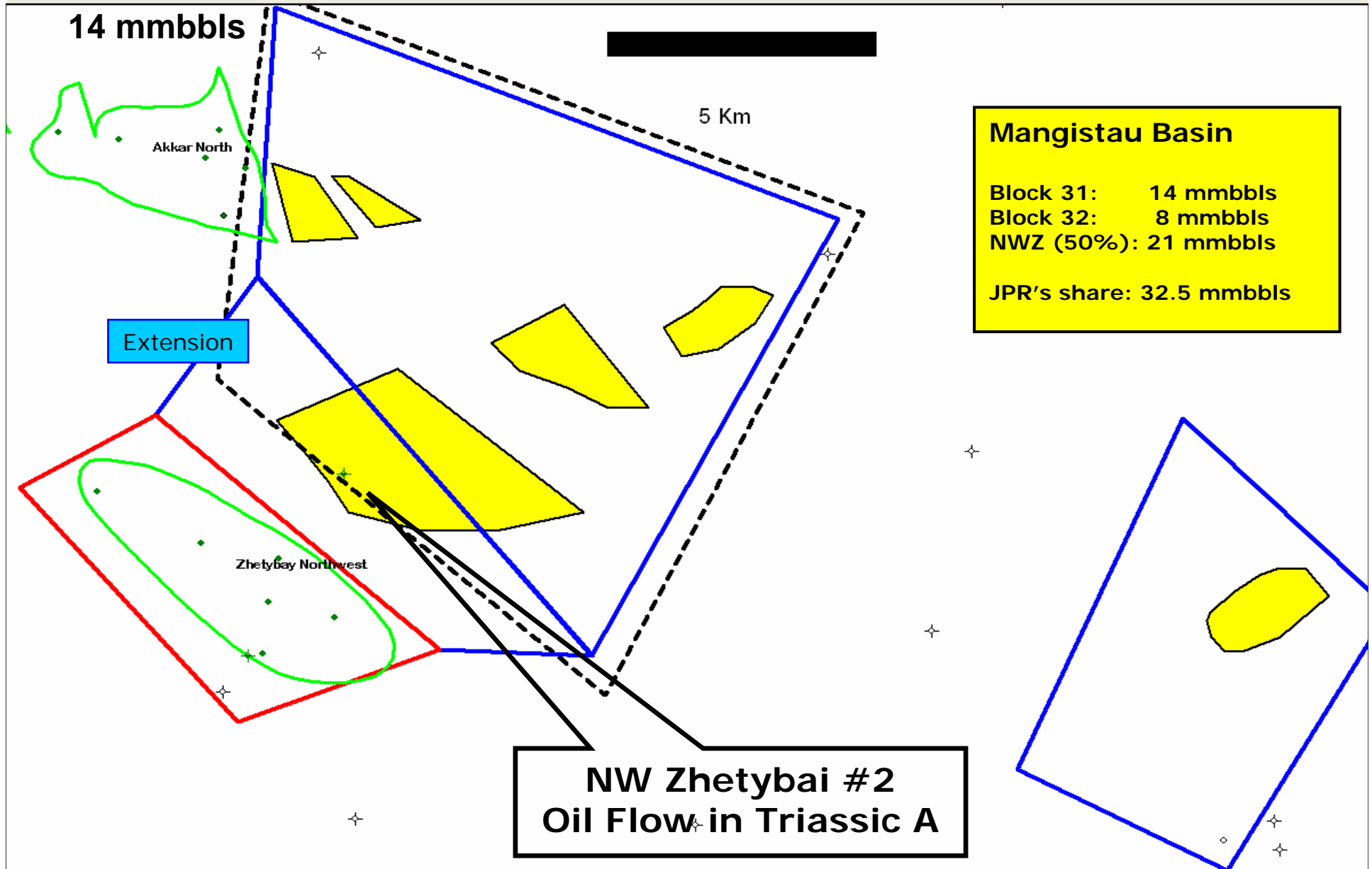
# NORTHWEST ZHETYBAY OIL FIELD



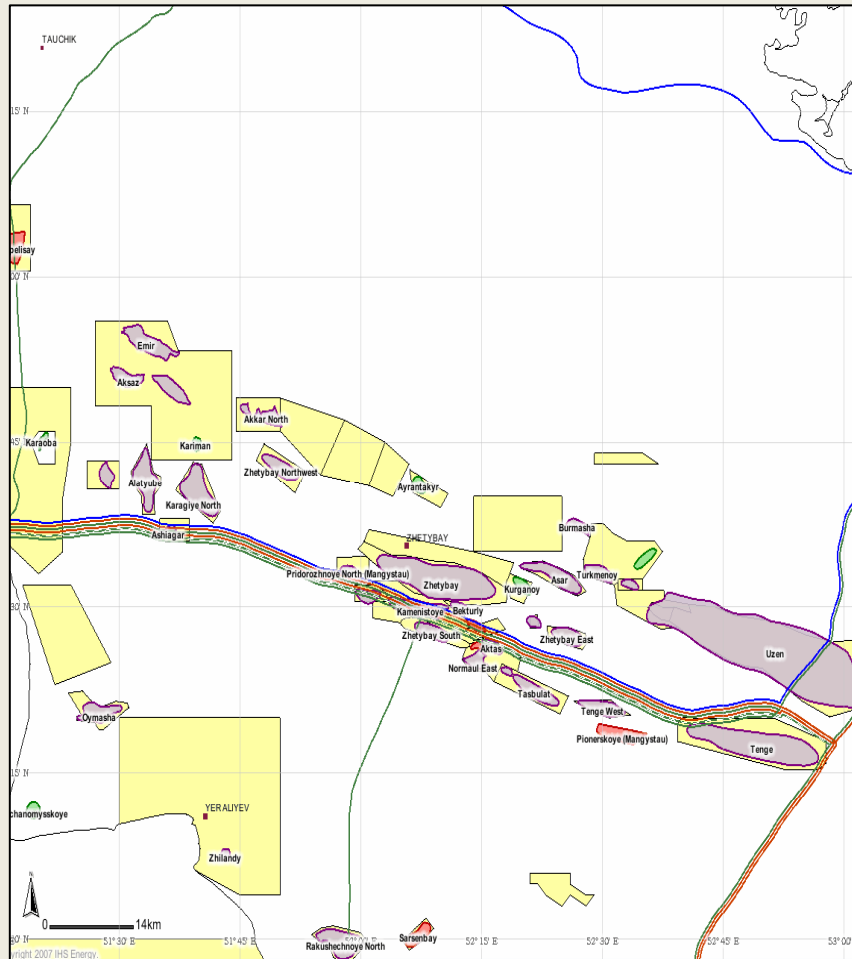
# NWZ Reserve Estimates

<b>Reserves mmbbls</b>	<b>1P</b>	<b>2P</b>	<b>3P</b>
<b>Ryder-Scott (2005)</b>	4.32	9.06	16.87
<b>MEMR Report (2005)</b>	4.53	19.32	
<b>Soviet Review (1983)</b>	4.49		
<b>Jupiter on 3D (2008)</b>	4.5	21.01	36

# JUPITER's PROSPECTIVITY



# Market Access



- Infrastructure within 10 kms of Jupiter's permits
- Pipeline
  - Eastern Europe
  - Baltic
  - Black Sea
- Rail
  - Aktau – Caspian trade
- Road
  - Aktau – Caspian trade
- Assuming initial local sales, then 80% export, 20% local
- Gas Utilization
  - Assume power generation for field purposes

# 12 Month Work Programme

- Re-enter up to 4 existing wells, Q3-4 2008
- Update volumetrics based on new 3D, Q3-4 2008
- Drill 2 new wells, Q1 2009
- Camp, temporary production facilities, Q3 2008 – Q1 2009
- Re-evaluate reserves, Q2-3 2009
- Submit production project documents, Q2-3 2009

# Terms of Purchase

- North West Zhetybai
  - 50% interest for \$US26m cash
  - Joint Operator
  - 1 year plan to drill 2 discovery wells and confirm field reserves. Cost of \$US12m to be funded on a 50/50 basis
  - Option to move to 100% ownership once field has been independently revalued based on the results of work program

# NWZ Acquisition

- Funding requirements: \$A40m
  - Equity \$A20m
  - Capital Raising:
    - 182m shares @ \$0.11 - \$A20m
    - 1 for 2 free attaching listed option per share (ex \$0.08, expiry June 2010)
  - Debt \$A20m
    - 3 proposals being considered from both national and international groups
- Application of Funds:
  - Settle on 50% NWZ: \$US26m
  - NWZ Work Program (50% share): \$US6m
  - Development Infrastructure: \$US5m

# Why are we here today?

- Book build for the current \$A20m equity raising
- Expected timetable:
  - Complete road show: 16 July
  - Deadline for firm commitments on book build: 18 July
  - Complete DD: 25 July
  - NoM sent to shareholders: 30 July (or earlier)
  - General Meeting to approve transaction: 30 days after NoM sent out
  - Settle on NWZ: On shareholder approval at GM



# JPR Capital Structure

- 357m shares on issue
- 300m listed options (exercise price of \$0.08 and expiring June 2010)
- 30m management options (vesting over 2 years and based on performance hurdles – ex \$0.08)
- Proposed raising: 182m shares and 91m options
  
- Current estimated asset base: 32.5 mmbbls
- Unit value in ground: \$US15/bbl
- Total value of current asset base: \$US487.5m
- After NWZ raising, asset base equates to c \$A0.55/share

# Business Summary

- JPR believes it now has the following key elements that will ensure it becomes an oil producer during 2009 in one of the most prospective oil producing countries in the world:
  - Experienced and well connected board and management
  - Proven local team: already experienced in building an oil producing company in Kazakhstan with access to skilled Kazakh human resources/companies
  - Excellent portfolio of producing and exploration acreage
  - A well planned working program to develop Blocks 31, 32 and NWZ
  - Proven ability to transact in Kazakhstan
  - Access to export oil market – therefore we have the ability to monetise discoveries at the best possible prices

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